

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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MORIAH UNITED CORP.,

Plaintiff,

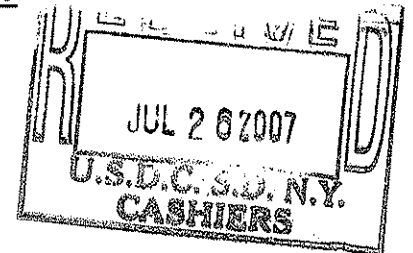
-against-

STANLEY DANIELS,

Defendant.  
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JUDGE LYNCH  
07 CIV 6735  
Index No.

COMPLAINT



Plaintiff, by its attorneys, Herzfeld & Rubin, P.C., for its complaint against defendant Stanley Daniels ("Daniels"), alleges upon information and belief as follows:

1. Plaintiff is a corporation incorporated under the laws of the State of Delaware, with its principal place of business in New York, New York.

2. Daniels is an individual who, upon information and belief, is a citizen of the State of Connecticut.

3. This Court has jurisdiction over this action pursuant to 28 U.S.C. §1332, in that the parties are of diverse citizenship and the amount in controversy exceeds \$75,000.

4. On or about October 6, 2005, Plaintiff entered into a "Loan Agreement" with Daniels, Michael Boraks ("Boraks") and O.M.G. Financial, LLC ("O.M.G.") (collectively, "Borrowers"), pursuant to which Plaintiff agreed to lend to the Borrowers the sum of \$500,000 for a period of 12 months, with interest payable monthly at a rate of 1.58% per month.

5. This agreement provided that in the event the Borrowers failed to repay the principal amount of the loan and accrued interest at the end of the loan period, the Borrowers would pay interest thereafter at the rate of 3.5% per month.

6. Plaintiff disbursed to the Borrowers \$500,000 pursuant to the October, 2005 Loan Agreement.

7. No part of the \$500,000 principal of the October, 2005 Loan was repaid at the end of the 12-month loan period.

8. On or about November 15, 2006 Plaintiff, Boraks and Daniels entered into a written agreement modifying the October 2005 Loan Agreement, whereby Daniels and Boraks agreed to:

(a) repay to Plaintiff the \$500,000 principal sum of the loan by February 6, 2007;

(b) make interest payments of \$15,800 on November 18, 2006, December 18, 2006, and January 18, 2007;

(c) pay by February 6, 2007 interest of \$7,900 plus interest at the contractual rate of 1.58% per month pro-rated from January 18, 2006 to February 6, 2007 or the date of repayment of the \$500,000 principal amount;

(d) make an additional payment of \$100,000 if the principal was not paid by February 6, 2000; and

(e) pay interest at the rate of 3.5% on any of the sums specified in the November 15, 2006 modification not paid in timely fashion.

9. The principal amount of the loan made pursuant to the October, 2005 Loan Agreement was not repaid by February 6, 2007 and has not since been repaid.

10. None of the other payments specified in paragraph 8 above have been made.

11. On or about April 12, 2006, Plaintiff entered into a second Loan Agreement with the Borrowers pursuant to which Plaintiff agreed to lend to the Borrowers an additional \$500,000, for a period of 12 months with interest payable monthly at a rate of 1.58% per month.

12. The April 2006 Loan Agreement, like the October 2005 Loan Agreement, provided that in the event the Borrowers failed to repay the principal amount of the loan and accrued interest at the end of the loan period, the Borrowers would pay interest thereafter at the rate of 3.5% per month.

13. Plaintiff disbursed to the Borrowers \$500,000 pursuant to the April, 2006 Loan Agreement.

14. No part of the \$500,000 principal balance of the Loan made pursuant to the April, 2006 Loan Agreement was paid at the end of the 12-month loan period, and no part of said principal, nor any payment of interest, has since been made.

**WHEREFORE**, Plaintiff is entitled to judgment in the amount of \$1,000,000 (the total principal balance of the two loans identified above), plus interest in

accordance with the Loan Agreements, together with costs and disbursements and such other and further relief as the Court may deem just and proper.

Dated: New York, New York  
July 26, 2007

HERZFELD & RUBIN, P.C.

By: 

EDWARD L. BIRNBAUM (EB8761)

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